

NWF Health Network Policy & Procedure

Series: 1100: Human Resources

Policy Name: Pay Increases

Policy Number: 1116

Origination Date: 02/17/2009

Revised: Board Meeting of 12/14/2023

Policy

It is the policy of NWF Health Network (NWFHN), to provide pay increases to eligible employees based on performance, current position salary range, position responsibilities, and the availability of funds.

Procedure

- A. An employee's wage shall be within the salary range that is assigned to the position based on the position's duties and responsibilities.
- B. Salary ranges may be adjusted periodically within the standard guidelines. Adjustments of salary ranges do not increase the salary paid to an employee but provide increased potential within the salary range for advancement. Salary advancement is based primarily on merit.
- C. An employee that reaches the end of the salary range will not be precluded from receiving a merit pay increase.
- D. An employee in a career position is eligible for a merit review based on the available merit pool to be determined annually by the Board of Directors.
- E. Merit or performance increases normally are awarded annually, in accordance with available merit pool funds.
- F. A standard performance appraisal completed by the supervisor is utilized by NWFHN to support an employee's calculated merit increase based on the Board of Director determined merit pool and computed by HR department.
- G. A salary increase may be granted upon promotion or upward reclassification. Determination of these salary increases is based on an employee's qualifications and position responsibilities, including supervisory responsibilities. Increases will be determined based on the prevailing wage rates of similar organizations with similar sizes and operating budgets.
- H. An employee may receive a salary decrease upon demotion.
 1. Any NWFHN employee who experiences a demotion in responsibility (made manifest upon any decrease in title, scope, or reassignment identified by the appropriate program director), shall, along with said demotion, also receive a standard 10% reduction in their salary. This reduction shall be modified, as needed, in consideration of position type, length of service to this agency, length of time in their former position, previous experience in their new position, and any other factors equitable to the employee and agency.
 2. An employee's current salary rate may be retained, even though the salary is above the maximum of the salary range with the approval of the CEO or their designee.

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- I. An increase in salary to remedy a salary inequity may be granted in accordance with standard guidelines and the approval of the CEO or their designee. Increases will be determined based on the position prevailing wage rates of similar organizations with similar sizes and operating budgets.
- J. Due to extenuating circumstances, at the recommendation of the CEO and the approval of the Board of Directors, a cost of living increase may be awarded to staff members. These increases will be based on management analysis of existing labor markets, wage tiers, and changes in consumer price indexes.
- K. Effective February 15, 2018, NWFHN does not award bonuses to employees.